

TO: James L. App, City Manager
FROM: Doug Monn, Public Works Director
SUBJECT: Paso Robles School District Reimbursement
DATE: January 17, 2006

NEEDS: For the City Council to authorize payment to the Paso Robles School District for High School parking lot improvements installed in conjunction with the rehabilitation of Niblick Road.

FACTS:

1. The FY 2003/2004 budget to reconfigure Niblick Road was adopted in the amount of \$1,600,000. This amount included an estimated cost to reimburse the School District for 50% of the cost to improve their parking lot.
2. On June 2, 2004, the City Council entered an Agreement with the Paso Robles School District. The Agreement provided that the City of Paso Robles would reimburse the District for 50% of the costs to improve the parking lot in front of the High School in exchange for a conveyance of property necessary for the City to install public bus stops along Niblick Road.
3. On May 18, 2004, staff asked the City Council to award the construction contract for Niblick Road. The budget remaining after design, etc. was \$1,504,800. The low bid (\$1,424,564) was higher than originally estimated. The resulting difference between the allocation and contract award (\$80,236.00) was used to cover project change orders and contingencies.
4. No provision was made at time of bid award to offset the cost for reimbursement of the School District.
5. On October 21, 2005, the School District requested payment for the parking lot improvements as provided for under the agreement.
6. In order to comply with the executed Reimbursement Agreement the City Council will need to allocate \$85,579.00 from General Fund Reserves.

**ANALYSIS
AND**

CONCLUSION: The City has received the attached letter from the School District, and documentation that \$171,158 was spent to improve the parking lot. The Agreement requires the City to reimburse the School District 50% of the total costs, or \$85,579.

POLICY

REFERENCE: Executed Reimbursement Agreement

FISCAL

IMPACT: The Niblick Road Project budget has been expended. Therefore to reimburse the School District per the Agreement, an additional allocation in the amount of \$85,600 will be necessary. The recommended source is General Fund Reserves.

The two year budget/four-year financial plan adopted by the Council on June 7, 2005 projected that the General Fund would experience a \$(200) operating deficit for fiscal year 2006. Since that presentation, the Council has approved the following additional General Fund “net” budget appropriations:

Reso 05-218 Net Carry-over Requests	\$274,800
Reso 05-163 Preparation of CFD	15,200
Reso 05-186 AB1600 Fee Update	47,500
Reso 05-195 Additional ADA Study Cost	9,300
Reso 05-203 Cost Allocation Software	1,500
Reso 05-243 IT Office Space Lease	<u>13,200</u>
Total YTD	<u>\$361,500</u>

These additional appropriations would increase the budgeted deficit from \$(200) to \$(361,700). This request for \$85,600 would increase the projected General Fund deficit to \$(447,300). The projected deficit will be paid from General Fund savings (reserves). There are currently sufficient resources in reserves to cover the deficit.

- OPTIONS:**
- a. Approve payment of \$85,579 to the Paso Robles School District in accordance with the executed Reimbursement Agreement and adopt a resolution approving a one time budget appropriation from General Fund reserves.
 - b. Amend, modify, or reject the above option.

Attachments (4)

- 1) Resolution
- 2) Letter from School District
- 3) Reimbursement Agreement
- 4) Staff Report of May 18, 2004



PASO ROBLES PUBLIC SCHOOLS



Patrick J. Sayne, Ed. D., Superintendent

800 Niblick Road, P.O. Box 7010 • Paso Robles, CA 93447
Tel (805) 238-2222 • Fax (805) 237-3339 • www.pasoschools.org

TRUSTEES

Jeanne Dugger
Pat Johnson
Bob Machado
Joe E. Quiroz
Debi Saunders
Robert Simola, Ph.D.
Ruben F. Tate, Jr.

October 31, 2005

Jim App
City Manager
City of El Paso de Robles
1000 Spring Street
Paso Robles, CA 93446

Dear Mr. App:

According to the Reimbursement and Sale Agreement dated June 2, 2004, between the City of El Paso Robles (City) and the Paso Robles Joint Unified School District (PRJUSD), the City and the PRJUSD mutually agreed on a public improvement project on Niblick Road. Under the Agreements of Payment for Parking Lot Improvements it states, "PRJUSD will submit a request for reimbursement to the City after the Parking Lot Improvements have been completed. The request for reimbursement will include documentation satisfactory to the City to evidence that the work has been completed, that all payments have been made by PRJUSD and that all lien releases have been obtained. The City will remit reimbursement to PRJUSD within thirty (30) days upon receipt of the evidence described herein."

The project has been completed. Enclosed is the evidence described for your approval. As stated in the agreement the City will reimburse PRJUSD one hundred sixty thousand dollars (\$160,000). The expenditures by PRJUSD on the project were \$171,158.

Thank you for your attention to this matter. Please contact me if you have any questions.

Sincerely,

Gary Hoskins Ph. D.
Assistant Superintendent - Business

C: Patrick Sayne, Superintendent of Schools
Ditas Esperanza, City Project Manager

REIMBURSEMENT AND SALE AGREEMENT

THIS REIMBURSEMENT AND SALE AGREEMENT (the "Agreement") is entered into this 2nd day of June, 2004 by and between the CITY OF EL PASO DE ROBLES, a municipal corporation (the "City"), and PASO ROBLES JOINT UNIFIED SCHOOL DISTRICT (the "PRJUSD"). For the purposes of this agreement, the City and PRJUSD are individually termed "party" and collectively termed the "parties."

Recitals

A. The City and PRJUSD have mutually agreed on a public improvement project to rehabilitate, re-stripe and signalize Niblick Road (the "Niblick Road Project"). On September 16, 2003 the City Council of the City of El Paso de Robles ("City Council") passed Resolution No. 03-176 which awarded design services for the Niblick Road Project to Associated Transportation Engineers.

B. The Niblick Road Project includes, among other improvements, relocation and expansion of transit bus turnouts at the Paso Robles High School (the "High School"), which will require the conveyance of certain property owned by the PRJUSD to the City. In addition, the Niblick Road Project also contemplates the elimination of Niblick Road on-street drop-off and pick-up at the High School by implementation of a cost-sharing plan with PRJUSD to reconfigure and resurface the High School front parking lot located at the High School (the "Parking Lot Improvements").

C. The Parking Lot Improvements will be designed to facilitate on-campus drive-through drop-offs and provide dedicated left and right turn exits for school buses.

D. The PRJUSD shall be responsible for the design and construction of the Parking Lot Improvements. All other improvements associated with the Niblick Road Project will be performed by a contractor hired and paid by the City.

E. The City has determined that the Niblick Road Project implements the general plan and will improve traffic circulation and pedestrian safety.

Agreements

NOW, THEREFORE, THE CITY AND PRJUSD HEREBY AGREE AS FOLLOWS:

I. Payment for Parking Lot Improvements.

PRJUSD will be responsible for the design and construction of the Parking Lot Improvements, and shall obtain separate bids for the Parking Lot Improvements. The City agrees that it will reimburse PRJUSD an amount that is equal to the lesser of (i) fifty percent (50%) of the total cost of the Parking Lot Improvements; or (ii) ONE HUNDRED SIXTY THOUSAND DOLLARS (\$160,000) (the "City Contribution"). PRJUSD will submit a request for reimbursement to the City after the Parking Lot Improvements have been completed. The request for reimbursement will include documentation satisfactory to the City to evidence that the work has

been completed, that all payments have been made by PRJUSD and that all lien releases have been obtained. The City will remit reimbursement to PRJUSD within thirty (30) days upon receipt of the evidence described herein.

2. Property Conveyed by PRJUSD to City.

In consideration of the City Contribution and for the additional sum of ONE DOLLAR (\$1.00), PRJUSD agrees that it shall convey certain land ("Property") adjacent to Niblick Road to the City for the construction of two (2) traffic turn outs ("City Improvements"), as further described in Exhibit A, attached hereto and incorporated herein by reference, at no cost to City. PRJUSD will convey the City fee simple title to the Property, free and clear of all record liens, encumbrances, assessments and leases, except that the Property will be subject to easements and all other matters of record. The parties agree that, within 15 days of the execution of this Agreement by both parties, escrow shall be opened at Fidelity National Title Co. at 704 Spring Street in Paso Robles, California, for the conveyance of the Property by PRJUSD to City as set forth herein.

3. Additional Obligations of the City.

The City will be responsible for drafting all documents related to the transfer of the Property, including, but not limited to, joint escrow instructions, the grant deed and property line adjustment. Such documents shall be subject to the approval of the PRJUSD, which approval will not be unreasonably withheld.

4. Insurance.

a. PRJUSD. Prior to the commencement of construction of the Parking Lot Improvements or any portion thereof, the PRJUSD shall furnish or cause to be furnished to the City duplicate originals or appropriate certificates of general liability insurance in the amount of at least \$1,000,000 combined single limit for bodily injury and property damage and \$5,000,000 general aggregate limit, naming the City as an additional insured. The coverage described herein may be satisfied by alternative means deemed satisfactory by the City's risk manager. The PRJUSD shall also furnish or cause to be furnished to the City evidence satisfactory to the City that any contractor with whom it has contracted for the performance of work on the Parking Lot Improvements carries workers' compensation insurance as required by law. The obligations set forth in this Section 4 shall remain in effect until construction of the Parking Lot Improvements is complete.

b. City. Prior to the commencement of construction of the City Improvements or any portion thereof, the City shall furnish or cause to be furnished to the PRJUSD duplicate originals or appropriate certificates of general liability insurance in the amount of at least \$1,000,000 combined single limit for bodily injury and property damage and \$5,000,000 general aggregate limit, naming the PRJUSD as an additional insured. The coverage described herein may be satisfied by alternative means deemed satisfactory by PRJUSD's risk manager. The City shall also furnish or cause to be furnished to the PRJUSD evidence satisfactory to the PRJUSD that any contractor with whom it has contracted for the performance of work on the City Improvements carries workers' compensation insurance as required by law. The obligations set forth in this Section 5 shall remain in effect until construction of the City Improvements is complete.

5. Indemnification.

a. PRJUSD. The PRJUSD shall indemnify, defend, and hold harmless the City, its officers, employees, and agents, from any and all claims arising out of construction of the Parking Lot Improvements except for such claims arising solely out of the City's willful misconduct related thereto.

b. City. The City shall indemnify, defend, and hold harmless the PRJUSD, its officers, employees, and agents, from any and all claims arising out of the City's construction of the Niblick Road Project except for such claims arising solely out of the PRJUSD's willful misconduct related thereto. Indemnification does not extend to the Parking Lot Improvements, the design and construction of which are the sole responsibility of the PRJUSD.

6. Recitals Incorporated.

The recitals set forth above, and all defined terms set forth in the recitals and in the introductory paragraph proceeding the recitals are hereby incorporated into this Agreement as if set forth herein in full.

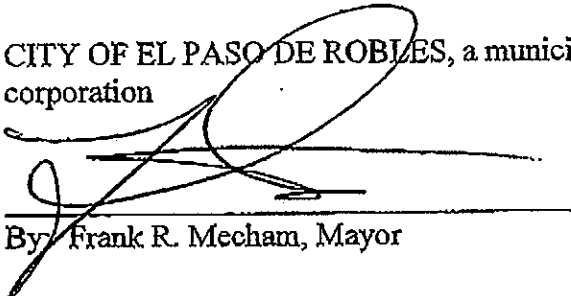
7. Applicable Law.

This Agreement shall be construed and enforced in accordance with the laws of the State of California. Any litigation arising from this Agreement will be brought in the Superior Court of San Luis Obispo County. Should any legal action be brought by any party for a breach of this Agreement or to enforce any provision herein, the prevailing party in such action shall be entitled to reasonable attorneys' fees and such other costs as may be determined by a court of competent jurisdiction.


8. Effective Date.

The effective date ("Effective Date") of this agreement shall be the date set forth above.

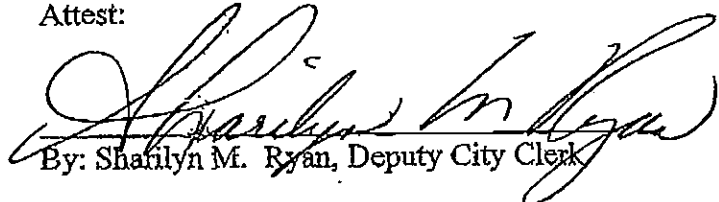
CITY OF EL PASO DE ROBLES, a municipal corporation


By: Frank R. Mecham, Mayor

Approved as to Form:


By: Iris P. Yang, City Attorney

Attest:


By: Sharilyn M. Ryan, Deputy City Clerk

"CITY"

PASO ROBLES JOINT UNIFIED SCHOOL DISTRICT


By: Patrick J. Sayne, Superintendent

Attest:


By: Pat Johnson, President
Board of Trustees

"PRJUSD"

TO: James L. App, City Manager
FROM: Meg Williamson, Interim Director of Public Works
SUBJECT: Award Construction Contract – Niblick Road Improvements
DATE: May 18, 2004

NEEDS: For the City Council to consider adopting Resolution No. 04-xxx awarding a construction contract for the Niblick Road Improvements

FACTS:

1. In September 2003, the City Council authorized staff to prepare construction documents to improve Niblick Road between the easterly end of the Veterans Memorial Bridge to Creston Road.
2. The project includes the following features:
 - Grind and overlay portions of Niblick Road – (a) south side only, bridge to Woodland Plaza, (b) both sides, Woodland Plaza to River Road, and (c) both sides, Appaloosa Drive to Creston Road.
 - Install 2 traffic signals at (a) main high school driveway, and (b) Country Club Drive.
 - Relocate and enlarge transit bus turnouts at high school and District Office – 20'x100' turnouts on Niblick Road.
 - Re-striping of Niblick Road – Niblick Road will be re-striped to have four travel lanes from River Road to Creston Road; bike lanes on both sides of the streets and median turn lanes
 - Raised medians from River Road to Melody with left-turn pockets at appropriate locations.

**ANALYSIS
AND**

CONCLUSION: Project was advertised for bids, and Plans and Specifications were provided to Plan Holders, as well as prospective contractors who requested them.

At the bid opening on May 6, 2004, three bids were received. The range of bids received was a low of \$1,424,564 to a high of \$1,602,949.25. The low bid submitted by Granite Construction was reviewed and found to be a responsive bid.

Staff included a Bid Additive to the Bid Documents to include the installation of a Traffic Signal Inter-connect System for the traffic signals from River Road to Creston Road. Granite Construction's bid for this work is \$174,000. It is proposed that additional funds from the Traffic Signal Mitigation Fees be appropriated to include this work.

POLICY

REFERENCE: Adopted Capital Improvement Program

**FISCAL
IMPACT:**

This project is being funded from several sources as follows:

Account No.	Amount Appropriated	Amount Remaining
200.910.5452.512	\$1,200,000	\$1,151,800
214.910.5452.520	\$ 200,000	\$ 176,500
214.910.5452.521	<u>\$ 200,000</u>	<u>\$ 176,500</u>
Total	\$1,600,000	\$1,504,800

An additional \$174,000 is proposed to be added to the Project

OPTIONS:

- a. Adopt Resolution No. 04-xxx.
 1. Appropriating additional funds for the project advanced from the Traffic Signal Mitigation Funds as follows:

214.910.5452.520	-	additional \$87,000
214.910.5452.521	-	additional \$87,000
 2. Authorize awarding the construction contract for the Niblick Road Project to Granite Construction in the amount of \$1,598,564 (includes \$174,000 Bid Additive).
- b. Amend, modify or reject the above option.

Attachments

- 1) Resolution
- 2) Bid Summary

Report prepared by:
Ditas Esperanza, P.E.
Capital Projects Engineer

RESOLUTION NO. 06-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES
FOR PASO ROBLES SCHOOL DISTRICT REIMBURSEMENTS

WHEREAS, on June 2, 2004, the City Council entered an agreement with the Paso Robles School District providing that the City would reimburse the District for 50% of the costs to improve the parking lot in front of the High School in exchange for a conveyance of property necessary for the City to install public bus stops along Niblick Road; and

WHEREAS, the City has received a letter and documentation from the School District indicating that \$171,158 was spent to improve the parking lot; and

WHEREAS, the agreement requires the City to reimburse the School District 50% of the total costs, or \$85,579; and

WHEREAS, a budget appropriation in the amount of \$85,600 is needed to cover this expense.

THEREFORE, BE IT RESOLVED AS FOLLOWS:

SECTION 1. The City Council of the City of El Paso de Robles approves payment of \$85,579 to the Paso Robles School District in accordance with the executed Reimbursement Agreement.

SECTION 2. The City Council of the City of El Paso de Robles approves a one time budget appropriation of \$85,600 from General Fund Reserves Account No. 100.310.5235.795 to cover this cost.

PASSED AND ADOPTED by the City Council of the City of Paso Robles this 17th day of January 2006 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST:

Frank R. Mecham, Mayor

Cathy M. David, Deputy City Clerk